

**DEPARTMENT OF WORKFORCE
DEVELOPMENT**

Secretary Roberta Gassman
201 East Washington Avenue
P.O. Box 7946
Madison, WI 53707-7946
Telephone: (608) 266-7552
FAX: (608) 266-1784
www.dwd.state.wi.us



**State of Wisconsin
Governor Jim Doyle**

**DEPARTMENT OF HEALTH AND
FAMILY SERVICES**

Secretary Helene Nelson
1 West Wilson Street
P.O. Box 7850
Madison, WI 53707-7850
Telephone: (608) 266-9622
FAX: (608) 266-7882
www.dhfs.state.wi.us

**TO: Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies**

**FROM: Amy Mendel-Clemens
Communications Section
Bureau of Health Care Eligibility**

BHCE/BWP OPERATIONS MEMO

No.: 03-39

Date: 06/17/2003

Non W-2 [X] W-2 [X] CC [X]

PRIORITY: HIGH

SUBJECT: NEW CARES WAGE SCREEN

CROSS REFERENCE: 7 CFR 273.10
FHS 25.04
Operations Memo 01-01; 01-18

EFFECTIVE DATE: June 23, 2003

PURPOSE

This memo outlines the creation and use of a newly developed CARES wage detail screen, (AFWG). Also outlined here are changes to verification codes used on the new screen and changes to AFEI designed to better support prospective budgeting of income.

BACKGROUND

The CARES wage detail screen, AFDE, was originally developed to support monthly reporting and retrospective budgeting. Workers only had to enter on AFDE the actual amount of earnings from pay stubs received in the previous month. CARES would add up the amounts to derive the monthly earnings for all the programs. However, over the years the budgeting methods of the programs have changed resulting in AFDE being less useful for workers. Currently workers have to manually calculate the prospective earned income amount needed for Food Stamp financial eligibility determinations and enter it on the income detail screen AFDE as a monthly amount. This process takes time and thus adds to the workload of local agency staff.

In addition, a significant number of food stamp benefit errors, identified by Quality Assurance (QA), are due to incorrect prospective budgeting of wages and salaries. QA has determined

that the limited functionality of the AFDE screen has contributed to many of these errors. Therefore, Food Stamp reinvestment funds have been used to make CARES system improvements to better support the prospective earned income budgeting policy.

POLICY

There are no changes to the budgeting policies for any of the programs. The new CARES wage detail screen, (AFWG), allows workers to more accurately record earned income information and verification and allows automated calculation of monthly earned income for all programs. Use income received during the last 30 days as an indicator of the income that is and will be available to the household during the certification period unless that income does not accurately indicate changes in income that have occurred or are anticipated to occur.

NOTE ➤ A new earned income verification code (LT) has been added to indicate if a worker used the last 30 days of earnings to determine the prospective earned income estimate.

CARES CHANGES

Current process

Currently workers manually calculate the monthly income amount needed for Food Stamps (FS), W-2 and Child Care (CC) using the 2.15 (for bi-weekly pay cycles) or 4.3 (for weekly pay cycles) conversion formula. Projected actual monthly earnings are only entered if it is a Medicaid (MA) only case or if the MA case is adversely effected because the 2.15 or 4.3 conversion formula is used.

New Process

The AFWG screen has been designed to perform an automated calculation for the converted amount which multiplies rate of pay times average hours per pay period by 2 for semi-monthly income, by 2.15 for biweekly income, or by 4.3 for weekly income for FS, W2, and CC. In addition, it will perform a similar calculation for MA by taking the rate of pay times average hours per pay period multiplied by 2 for semi-monthly or bi-weekly income or by 4 for weekly income. In most circumstances, the worker need only enter an hourly rate of pay, a pay type, and an average number of work hours per pay period for the system to automatically calculate the final monthly income amount.

NOTE ➤ Eligibility workers must enter the correct pay frequency on screen AFEI in order to ensure the correct calculations are made on screen AFWG.

NEW AFWG SCREEN

AFWG will replace AFDE for any new employment sequences entered on AFEI on or after June 23, 2003. When a new AFEI sequence is created, the worker will be required to enter the payment details on AFWG. AFWG will be displayed when PF20 is entered. Current valid employment sequences recorded on AFEI will continue to have an AFDE screen attached to record and display wage details.

NOTE ➤ AFDE screens will not be converted. Income details on current employment sequences already entered will remain displayed on AFDE. New employment sequences added will generate the new AFWG screen.

Some fields on the AFWG screen will be populated with data entered on AFEI. The pay frequency entered on screen AFEI will determine which conversion calculations will be applied to earned income details entered on AFWG. The worker will complete the screen entering appropriate data where needed.

There is a comment section at the bottom of the screen to document pertinent information regarding the entries made on this screen. In situations in which it is not appropriate to use the last 30 days of wages as verification of income, the worker must document that reason in this space for Food Stamp applicants/recipients. (See section on Verification Code)

Example: The worker will enter the current rate per hour^❶ if the customer is paid on an hourly basis. The worker then chooses a pay type^❷ from the reference table. The average hours^❸ will be the average of hours worked per pay period as documented on the customer's paycheck stubs or other documentation. An appropriate verification code^❹ is required. CARES will automatically populate the total amount/ppd field^❺ and calculate the Monthly MA^❻ amount and Monthly Converted amounts^❼.

```

AFWG                                DETAILED WAGE INCOME                                06/05/03 08:46
CASE: 3700304030                    WORKER: XCTA20      XCTA20 J ELLENBECKE
LAST UPDATED: 06 05 03              CASE STATUS: OPEN   CASE MODE: ONGOING

NUM: 01 NAME: ALBERT                AFWG                                SSN: 579 13 5829

BEGIN MMY: 0503                     END MMY:
SEQ NUM: 1  EMPLOYMENT TYPE: REGULAR  EMPLOYER NAME: HOLLY'S HOSTA HOUSE
                                         PAY FREQUENCY: B BI-WEEKLY

❶ RATE/ HR  ❷ TYPE  ❸ AVG HRS/ PPD  ❹VR  ❺ TOTAL/ PPD

    10.00    REG      40      LT      400.00
    15.00    OTP      10      LT      150.00
    _____
    _____

❻ MONTHLY IN-KIND AMT: _____ VR: _____ BI-WEEKLY TOTAL AMT: 550.00
❼ MONTHLY MA AMT: 1100.00 ❼ MONTHLY CONVERTED AMT: 1182.50
❽ OVERRIDE MA AMT: _____ VR: _____ ❽ OVERRIDE CONVERTED AMT: _____ VR: _____
TOTAL HOURS: 108                ❽ OVERRIDE HOURS: _____
❶❷COMMENT: USED LAST 30 DAYS OF PAY STUBS _____
PRESS ENTER TO VIEW THE MONTHLY AMOUNT THEN PRESS ENTER TO RETURN TO AFEI

```

Field descriptions:

1. Rate/HR – Enter hourly rate of pay.
2. Pay Type – Enter pay type from table TPYT.
3. AVG HRS/PPD - This will be the average number of hours the customer works per pay period. Workers will need to calculate that number based on the total hours worked during the last 30 days or, for anticipated changes, the average number of hours expected to be worked by the client.
4. VR – Verification code – This represents what type of documentation used to verify this information.
5. TOTAL/PPD – this system-generated number is the result of the hourly rate times the average hours per pay period.

6. Monthly in-Kind amount – entered by the worker
7. Monthly MA AMT – This is the budget amount that is calculated by the system which uses the weekly/bi-weekly/semi-monthly amount times 4 or 2.
8. Monthly Converted AMT – this is the budget amount that is calculated by the system which uses the weekly/bi-weekly/semi-monthly amount times 4.3, 2.15 or 2.
9. Override MA AMT - The worker can use the override field when a different monthly income amount is needed for MA.
10. Override Converted AMT - The worker can use the override field when a different monthly income amount is needed for FS, CC, W-2 or CTS
11. Override Hours – Use this field when you need to override the number of monthly hours calculated by the system.
12. Comments – Enter comments on how you arrived at the information entered here.

REFERENCE TABLE CHANGE

A new reference table TPYT has been created to show the new payment type codes for different types of employment payment methods. The worker enters the type that best matches the payment method used by the customer's employer. The table also notes if hours and rate of pay need to be entered for the specific payment type code.

RTDT		REFERENCE TABLE DISPLAY SCREEN		06/05/03 08:43	
				XCTA20 J ELLENBECKE	
TABLE ID: TPYT		TABLE DESC: INCOME PAYMENT TYPE CODES			
AGENCY : 99		EFFECTIVE DATE: 05 13 03			
KEY :		NEXT KEY: _____			
PAYMENT TYPE CODE	DESCRIPTION	HOURS REQUIRED Y/N/C	RATE REQUIRED Y/N		
COM	COMMISSIONS AND BONUS PAY	C*	N		
HOL	HOLIDAY PAY	Y	Y		
OSP	OTHER SHIFT PAY	Y	Y		
OTH	OTHER PAY TYPE	Y	Y		
OTP	OVER TIME PAY	Y	Y		
REG	REGULAR PAY	Y	Y		
SAL	SALARY	Y	N		
TIP	CASH TIPS	C*	N		
WKD	WEEK END PAY	Y	Y		
NEXT TRAN: _____		PARMS: _____			

*The COM and TIP pay type codes are "C" or conditional for hours required. If these pay type codes are the only ones entered on the screen, the worker will be required to also enter the number of hours worked. If other pay types are entered along with COM or TIP, no hours should be entered for the COM or TIP earnings.

NEW VERIFICATION CODE

Use income received during the last 30 days as an indicator of the monthly income that is and will be available to the household during the certification period unless that income does not accurately indicate changes in income that have occurred or are anticipated to occur.

A new verification code "LT" (Last 30 Days) has been developed and should be used to show that the worker used the income and hours from the last 30 days pay stubs to verify the wage information entered on screen AFWG. If this verification code is not used for a row entered on AFWG, the worker will receive the following message, "*FS Earnings not verified using last 30 days pay stubs, enter comments*". In FS cases, comments must be entered on AFWG to indicate why the previous 30 days pay stubs were not used to verify wages. For example, if employment information is entered for a new job, an employer verification document may be used to verify the prospective income estimate. In this case, another verification code will be used and the worker can document "new job, last 30 days stubs unavailable, employer verification in file." If the case is MA only and the income is self-declared, "SP" can be used as a verification code and the worker can "enter" past the screen edit since there are no FS earnings.

CHANGES TO AFEI

- ① Employment Ended** – This field replaces the Income Discontinued field. Enter Y/N. This field indicates if the client is no longer working at the associated place of employment.
- ② Pay Frequency** – In order for CARES to calculate the income properly, the correct "Pay Frequency" must be entered here. This field tells the system to multiply the income amount by 4.3, 4, 2.15, 2 or 1.
- ③ Monthly MA Amount** – The income for MA will display in the Monthly MA Amount field. CARES will not use the conversion formula for MA income.
- ④ Monthly Converted Amount** – The income for FS, W-2, CTS and CC will display in the Monthly Converted Amount field. CARES automatically uses 2.15 or 4.3 in the income calculation.

AFEI		EMPLOYMENT		06/05/03 08:45	
CASE: 3700304030		WORKER: XCTA20		XCTA20 J ELLENBECKE	
LAST UPDATED: 06 05 03		CASE STATUS: OPEN		CASE MODE: ONGOING	
NUM: 01 NAME: ALBERT		AFWG		SSN: 579 13 5829	
DC: ____ BEGIN MMY: 0503		END MMY: ____			
SEQ NUM: 001 WI EMP NUM:		FEIN: _____			
EMPLOYER NAME: HOLLY'S HOSTA HOUSE		PHONE: ____ ____ ____			
ADDRESS: _____					
CITY: _____		STATE: ____ ZIP: _____			
JOB TITLE: GARDENER		EMPLOYMENT TYPE: R		VR: OW	
EMPLOYMENT BEGIN DATE: 01 01 03		VR: OW		EMPLOYMENT END DATE: ____ ____ ____	
① EMPLOYMENT ENDED: N		DATE OF LAST PAYCHECK: ____ ____ ____		VR: ____	
ON STRIKE ? (Y/N): N		STRIKE BEGIN DATE: ____ ____ ____		VR: ____	
② PAY FREQUENCY: B BI-WEEKLY		STRIKE END DATE: ____ ____ ____		VR: ____	
MONTHLY HOURS: 108		TJB SUBSIDY: _____		INKIND INCOME: .00	
③ MONTHLY MA AMOUNT: 1000.00		④ MONTHLY CONVERTED AMOUNT: 1075.00			
-----INDIVIDUALS-----					
01 ALBER A (PP)		02 ALLY A (DAU)			
PF18-ACCC PF20-AFWG/AFDE PF23-AFAC PF24-REVERIFY ACCESS INFO					
NEXT TRAN: ____		PARMS: 3700304030 _____			

Override MA Amount and Override Converted Amount fields will only appear on AFEI if those fields are completed on AFWG. The worker can use the override field in situations where the automated calculation is not appropriate. If a worker enters an amount in either the Override Converted Amount or Override MA Amount fields, the override amount will be used in

the budget determinations, **even if the entered amount is zero**. An Override verification code will be required when the Override amount field is used. When the Override fields are used, the values in the fields will be displayed in the corresponding amount field on AFEI (Override Converted Amount will be displayed as OVR Monthly Converted Amount and Override MA Amount will be displayed as OVR Monthly MA Amount). If a worker has amounts in the Override fields on AFWG, but returns to AFWG to update the screen with an actual wage amount, they must remove the override amount or an error message will appear. The error message indicates that the worker needs to remove the override amount or the override amount will be used in the budget process. If an override amount is entered on the Override Monthly MA amount and no other income is entered, CARES will set the Override Monthly Converted amount to 0.00 with a "?" for the verification. If a request for Food Stamps, Child Care or W-2 is made at a later date, this will prevent that program from opening without verification of income. This also works the same way if income is entered on the Override Monthly Converted Amount field and no other income is entered.

If the Override fields are used for entering income, workers must be sure hours are entered either on the override hours field or on the detail lines. If hours are not entered, CARES will populate the field with a 0.

Example: In MA-Only cases, self-declared total gross monthly earned income as reported by the MA customer can be entered in the Override MA Amount field.

NOTE ➤ Workers should continue to review the budget screens before confirmation.

SPECIAL NOTE ➤ Special Thanks to the IMAC IT Sub Committee members for their review and suggestions as we worked out the details of this new process.

CONTACTS

BHCE CARES Information & Problem Resolution Center

Email: carpolcc@dhfs.state.wi.us
Telephone: (608) 261-6317 (Option #1)
Fax: (608) 266-8358

Note: Email contacts are preferred. Thank you.